FBIS DAILY REPORT

CONTENTS

Latin America

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ARGENTINA

Army Commander Galtieri on Economic Crisis B 1
Further Comments B 1
Air Force Chief Graffigna on Country's Problems B 2
Comments on Air Facilities B 2
Comments on Future, Rumors B 3

BOLIVIA

Exiled Officers Comment on Coup, Succession C 1
New Army Commander Meets President, Begins Duties C 1

BRAZIL

Planning Minister on Interest, Monetary Policy D 1
[O GLOBO 25 Jun]
Navy Minister Talks About Shipbuilding Program D 2
[JORNAL DO BRASIL 27 Jun]

CHILE

President Disregards Argentine Objection to Samore E 1
President Pinochet Denies Possible Trip to U.S. E 1
Dead Subversive Reportedly Trained in Cuba E 1
Briefs: Nepalese Ambassador E 1

ECUADOR

Foreign Minister Barrera on Peru's Attitude G 1
Vice President Leon Roldos To Join New Party G 1
Minister Sets Minimum Oil Barrel Price at $32 G 1
Briefs: New Ambassadors G 1

MEXICO

New Pemex Director Holds News Conference M 1
Australian Prime Minister Malcolm Fraser's Visit M 2
Bomb Scare at Embassy M 2
Arrives in Mexico City M 2
Cooperation Agreement Signed M 3
Lopez Portillo Holds Talks M 3
Fraser Stresses Joint Role M 3
Lopez Portillo at Banquet M 4
Leaders Stress Ties M 4
Fraser Ends Visit, Departs M 5
22 Countries To Attend North-South Dialogue So Far M 5
USSR Envoy: USSR Won't Attend M 6
Deputies Hold Talks With Korean Legislators M 6

CENTRAL AMERICA

COSTA RICA

Sandinist Border Violations Reportedly To End P 1
OIJ Reports on Search, Terrorist Structure P 1
President Offers Support P 1
OIJ Blames South Americans P 2
Venezuelan President Supports Coffee Price Defense P 2

EL SALVADOR

Venceremos Salutes Solidarity Forum in Mexico P 3
[Radio Venceremos]
Prompt U.S. Economic, Military Aid Praised P 3
Arms Traffickers Captured by National Police P 3
[EL DIARIO DE HOY]

GUATEMALA

Official Reacts to Leftists on Training in Cuba P 4

HONDURAS

TEXACO to Buy Diesel Fuel From Saudi Arabia P 5
Bishops Meet to Discuss Church in Central America P 5

NICARAGUA

Forum Participants Reach Points of Concurrence P 6
25 June Talks P 6
Document Signed 27 June P 8
Libyan Delegation to Discuss Joint Projects P 10
Delegation Meets With Junta P 10
Ortega on U.S. Aid Withdrawal P 10
U.S. Aid Policy To Be Obstacle to Good Relations P 11
PSD's Montalvan Criticized for Statements Abroad P 11
[BARRICADA 22 Jun]
Socialist Friends Buy Surplus Coffee Stocks P 11
[EL NUEVO DIARIO 22 Jun]

CUBA

Bulgarian Youth Delegation Attends Festival Q 1
Montane Receives Leader Q 1
Youths End Visit, Depart Q 1
Government To Help Angola's Sugar Industry Q 1
Minister for Overseas Constructions Visits Iraq Q 1

CARIBBEAN

BARBADOS

Government To Increase Technology Trade With PRC S 1

GRENADA

Prime Minister Bishop Tells Rally of 'CIA Plot' S 1
Libyan Technical Team Ends Visit to Grenada S 2
CARICOM Foreign Ministers Meeting To Be Hosted S 2

HAITI

Antigovernment Forces Reportedly Training in Cuba S 2

JAMAICA

Company Announces Alumina Production Cutback S 3
JAMALCO Cuts Production S 3
Alcan Will Not Cut Production S 3

ARMY COMMANDER GALTIERI ON ECONOMIC CRISIS

PY261518 Buenos Aires TELAM in Spanish 0105 GMT 20 Jun 81

[Excerpts] Buenos Aires, 20 Jun (TELAM)--Today Gen Leopoldo Fortunato Galtieri, commander in chief of the army, denied that the government is making a 360-degree turn in the economic area, but stated that it is making the necessary adjustments to the circumstances the country is experiencing in the socioeconomic area.

These statements were made to area journalists and special correspondents after he presided over a ceremony in which army, air force and navy troops took the oath of enlistment in Piedra Buena, 240 km north of Rio Gallegos, Santa Cruz Province.

In referring to the same subject he stated that sometimes the reactions and the effects of the measures taken in the economic and social areas are not those desired and that is when the corrèctions have to be made in accordance with the situation which is being experienced at that time, and he added that the government is carrying out those adjustments, corrections and modifications but that we are not going backwards.

He pointed out that he had followed the development of the new units which he had the pleasure of inaugurating in the name of the army today.

Regarding his presence in the south, he said that it is a demonstration of the direction in which the army is concentrating its activities, both because of the geographic order and because of the post I hold within the military junta--in other words, we mean to set our goals and our activities in the south.

General Galtieri also pointed out that the inauguration of this new unit is a way of populating Patagonia and stated that Argentines should turn to the south during these last years of the 20th century and that this generation will demonstrate, as before, business' capability to continue developing our country with boldness, tenacity and intelligence.

When questioned on the development of the mediation, he stated that everything is in His Holiness Pope John Paul II's hands and that it follows its course.

Further Comments

PY272106 Buenos Aires TELAM in English 1123 GMT 27 Jun 81

[Text] Buenos Aires, 27 Jun (TELAM)--Lt Gen Leopoldo Galtieri, commander in chief of the army, asserted yesterday that the country has overcome every crisis and will also overcome this one, maintaining that Argentina's economic situation is contentious, although not a national emergency.

Galtieri made these statements after the ceremony in which his Uruguayan colleague, Gen Luis Queirolo, was decorated with the Order of Military Merit in the Libertador Hotel of this city.

He also stated that the rumor campaign is a part of the freedom that the country is experiencing which when used in a responsible way is what is desired by those of us who wish to live in peace and democracy. He stressed however that when it is used instead in the commercial or private interests of various types, responsible freedom becomes slightly mixed with irresponsible freedom.

Galtieri then indicated that there is absolute cohesion within the army and that there is open communication in every aspect.

He said that dialogue is open and that in this case everyone has to assume responsibility for the present and for history which is written every day because the Argentine problem is that during the past 50 years there have been political outlets but not solutions and the political solution is the common denominator of the problems of all the world's communities.

Meanwhile, the news agency UNITED PRESS INTERNATIONAL carried a report entitled "Army Commander in Chief Says He Fully Supports Viola," indicating that General Galtieri had emphasized that his branch of the armed forces and he himself, "do not support the government, we are the government."

He also said that the rumors which currently circulate are the result of the great and totally unprecedented freedom of press and opinion prevailing in the country. "We would really have to make a close scrutiny of the history of the nation to find one single period in which the country has enjoyed the freedom which we have made possible."

After stating that his contact with and support for President Roberto Viola remain unchanged, Galtieri said that Argentina has problems, just like any other country in the world, and guaranteed that these problems will be resolved soon, although this would not happen tomorrow because that would be impossible, but we will resolve them one by one."

He said that General Viola is an excellent military officer and a very good president. He also reaffirmed his confidence in Viola and added that the government is making efforts to overcome the problems, "which it will do with our support and that of the people as a whole."

In conclusion he stated that everyone must rest assured that everything will be resolved in the next few months, not in a day or two, because in economy, logistics, or even your household and mine, problems cannot be overcome from one day to another."

AIR FORCE CHIEF GRAFFIGNA ON COUNTRY'S PROBLEMS

Comments on Air Facilities

PY282146 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0120 GMT 26 Jun 81

[Text] Rosario, 25 Jun (NA)--Lt Gen Omar Graffigna, commander in chief of the air force, said here tonight that "we are not unaware" of the problems the country is currently experiencing, but "difficulties do not scare me and neither should they scare the Argentines.

"Haste and impatience," he added, "are many times logical and human, but we must forget about them. We must place ourselves within the world context with regard to what Argentina is, the real and large capability and potential it has, and its human capability, which is imponderable. Anything else are matters that we men are going to take care of. That is what we are here for."

The commander in chief of the air force made these statements on a program broadcast over television channel 3 of this city.

During the course of the interview, Graffigna talked about various matters pertaining to infrastructure and air security in the country, stressing that this city's airport, with the facilities that are to be dedicated tomorrow, will be in a position to receive wide-body airplanes, such as the jumbo.

He indicated that at the end of August Aerolineas Argentinas will make its first international flights from Rosario--"one to the United States and another to Europe, with Rome as its final destination," he specified.

In another portion of the interview he emphasized that the air force "does not want to enter into polemics" regarding the security of Argentine airports and he said that the country has the most modern electronic equipment for flight support.

He then stated that 35 runways were built in the country between 1966 and 1980, and that currently "we are building three more in Rosario, Reconquista and Viedma--which brings the total to 63."

He continued with details: "Up to 1966 we had 14 airports, and from then up to and including 1981 we will have built 32 more. Many of them are located in the south of the country--Viedma, Puerto Madryn, Sierra Grande, Altorio Sengerr, Rio Turbio, Puerto Deseaso, El Maiten, etc."

When the reporter interviewing him asked once again about flight security, Graffigna stated that from 1966 to the present time there "has been a significant advance" in equipping the airports to that end, and the plan will continue until 1985.

"From 1979 to 1981," he specified, "there has been no military, civilian, commercial or sporting accident due to a lack of efficiency in the air navigation infrastructure."

Finally, he indicated that "contracts have already been signed with a U.S. firm for equipping all the country's airports with a radar system."

Comments on Future, Rumors

PY271442 Buenos Aires TELAM in Spanish 1746 GMT 26 Jun 81

[Text] Rosario, 26 Jun (TELAM)--"We must always look at the good things we have in the country. The current and circumstancial problems that we may have must not make us lose heart or faith. Argentina has a brilliant future." This was stressed here today by the air force commander in chief and member of the military junta, Lt Gen Omar Domingo Rubens Graffigna, during a brief chat with reporters after dedicating the new runway of Rosario's international airport and in which he spoke about our country's future.

He then said that not only do we have to advance in view of the capability that we have, basically human, and the real and potential resources that Argentina has, but also because if we talk about comparisons we see that the world is currently in a very strife-ridden state and it is experiencing constant chaos, while we are living in peace and calm in our country, despite the fact that many Argentines want to magnify problems that are only circumstantial.

In this respect, he added that no one must have the slightest doubt regarding the fact that our future is a promising future, as it has always been, and we must have a little patience and prudence regarding reality and continue with the same courage and enthusiasm and the same faith that we have always had.

Asked about the wave of rumors that the government is having to deal with, Graffigna indicated that the rumors must be left to one side because they are harmful and cause damage. They cause so much harm that they magnify realities and scare the people. Therefore, one must not be guided by them because they are destructive. Criticism is good and healthy and there must be criticism because it is constructive when given with this in mind. Rumors are destructive because one does not know where they come from; and they are a weapon that is used to destabilize and spread fear; and regrettably, due to many circumstances, many innocent people disseminate them and this influences the current situation that we are experiencing. They must be put to one side; this is why information is important, but true information regarding events that must be taken into account, otherwise no one is going to be able to live in peace.

EXILED OFFICERS COMMENT ON COUP, SUCCESSION

PY291517 Buenos Aires TELAM in Spanish 1150 GMT 29 Jun 81

[Text] Buenos Aires, 29 Jun, TELAM--"Our movement failed because of the treason perpetrated and the bribes taken by certain regimental officers who had promised to support the coup," Gen Lucio Anez Rivero, former Bolivian chief of staff, said soon after his arrival in this capital.

The high-ranking officer, who on Saturday participated in a subversive uprising against Gen Luis Garcia Meza's government, arrived in Buenos Aires together with former Bolivian Army commander in chief, Gen Humberto Cayoja Riart.

The exiled Bolivian officers arrived in Argentina accompanied by the former heads of the intelligence and operations departments, Gen Raul Ramallo and Col Simon Cejas Tardoya, respectively.

The Bolivian Air Force plane, a Fokker F-27, left El Alto Airport in La Paz and made a technical stopover at El Cadillal Airport in Jujuy, an Argentine town 2,000 km north of this capital. The plane arrived in Buenos Aires at 1655 GMT.

In Jujuy, Gen Cayoja Riart said that Gen Garcia Meza's replacement had been decided for August and "the large armed forces units of La Paz and rural areas have agreed to this."

The banishment of these four officers has increased to 1,200 the number of persons exiled since July 1980, when the current regime took over after ousting President Libia Gueiler Tejada.

NEW ARMY COMMANDER MEETS PRESIDENT, BEGINS DUTIES

PY291933 La Paz Radio Illimani Network in Spanish 1700 GMT 29 Jun 81

[Text] If some bad Bolivians try to enter the country in order to disrupt the order and tranquility which the Bolivian people are enjoying, the government will implement whatever measures the situation may require, Gen Celso Torrelio Villa, the new army commander in chief and interior minister, warned today.

The high-ranking officer made this remark to journalists accredited to Government House, where he arrived this morning for a meeting with President Luis Garcia Meza. On his first day as commander in chief of the army, Torrelio Villa stated: [Begin recording] Well, on my first day as commander in chief of the army I am now going to army headquarters where my chief of staff is waiting for me to start making decisions in order to fulfill my duties as the head of the institution entrusted to my care by the supreme government. [end recording]

As for the appointment of his successor at the Interior Ministry, Gen Torrelio said that this is up to the president of the nation alone: [Begin recording] As you know, the president has to appoint the new interior minister and he is fully empowered to make this appointment. [end recording]

In conclusion the army commander in chief, who for the time being is the interior minister as well, stressed that there is tranquility throughout the country. Nevertheless, he voiced a warning: [Begin recording] You must know that there is tranquility throughout the nation and there are no problems at all. However, I would like to make the point that if some extremists or bad Bolivians try to enter the country to disrupt order, we will implement whatever measures the situation may require, always in keeping with the laws which govern the institutional life of the nation. [end recording]

PLANNING MINISTER ON INTEREST, MONETARY POLICY

PY290058 Rio de Janeiro O GLOBO in Portuguese 25 Jun 81 p 23

[Excerpts] According to Planning Minister Delfim Neto, the monetary policy is not the cause for rising interest rates, and there is no use in businessmen demanding subsidized credit because subsidizing credit would drive the country into bankruptcy.

Neto stated: "If we agree to that demand, the businessmen will not go bankrupt, but the country will. There should be a limit to such demands."

The planning minister said that people tend to attach more importance to increasing interest rates than actually exists. "Usually when an individual goes to the nation's president he tells the president that he is paying 140-percent interest. That's a lie! Nobody goes to tell the president that he receives some money from the National Economic Development Bank [BNDE] at an interest rate of 22 percent or from the Bank of Brazil at 45 percent without having to pay any monetary correction in either case. The 140-percent interest rate only prevails in the free market." Neto denied that interest rates stand at 25-26 percent per month as some people say. In fact monthly interest rates are about 15-16 percent.

"Nobody talks about his debts, about what he already has, only about the deal he is getting. There is no company in Brazil--except the small-sized company--that receives credit in the free market. Normally they go to the Bank of Brazil, where the interest rate is not 140 percent. The companies still have the bulk of their debts at highly subsidized interest rates."

Neto then added: "If an industry is basically important, it certainly has a credit program subsidized by the government. That is, its credits are larger that the interest it pays even if that rate is higher that the rates paid abroad."

The planning minister stated that interest rates will only drop when inflation recedes and that the government will continue to maintain its monetary policy based on free interest rates and restricted credits.

"We need a strict monetary policy which not only controls the means of payment, but which will help keep the national expenditures under control. This is why we adopted a selective restriction on credits which can be expanded up to 50 percent. This restriction only applies to domestic credits, not to foreign credits."

Delfim Neto disclosed that the requests for bank loans are increasing by 80 percent every year, which proves that the government adopted the correct measure and that the entire business sector is following the economic authorities' guidelines.

Delfim Neto asserted: "We had to put an end to the subsidized credit and let the businessmen seek money abroad since this was the only way to increase the inflow of foreign resources which are essential to solve the balance of payments problem."

The planning minister said he feels that a reasonable limit for interest rates on domestic credits should be equal to the sum of the spread [last word in English], the foreign interest rates and the adjustment to the rate of exchange.

Delfim Neto asserted that the measures taken to solve the problem have already started to show results: Exports are increasing at a rate of 26 percent per year while imports are decreasing. He said he hopes that next year when he gives his next lecture at the War College the balance of payments will be "free of deficit."

NAVY MINISTER TALKS ABOUT SHIPBUILDING PROGRAM

PY290326 Rio de Janeiro JORNAL DO BRASIL in Portuguese 27 Jun 81 p 5

[Excerpts] Navy Minister Adm Maximiano da Fonseca said yesterday that "the navy will use the NUCLEP (Nuclebras Heavy Equipment Inc.) installations to build a submarine." The Brazilian Navy is planning a Brazilian nuclear submarine "which will certainly be built over the long term." The navy minister added that ENGESA (Specialized Engineers Inc.) is already making parts of a torpedo that will be built entirely in Brazil.

"We will no longer buy ships abroad except in emergency cases. We recently bought two tugboats from the United States because we needed them badly. Otherwise, they would have been built here in Brazil," Admiral Fonseca said. The new training ship for the navy will cost $95 million, and 76 percent of this sum will be to purchase Brazilian components. Its construction has already started.

Studies to manufacture a corvette in the country continue and the project will be completed by late 1982. The navy will buy plans abroad to build a submarine in Brazil with Brazilian materials, the minister announced.

"We have already built two frigates with British technology after we bought four of them from Great Britain. The two built here have no problems and henceforth frigates will be built entirely in this country.

"The Rio de Janeiro Navy Arsenal will have to be extensively modernized to build submarines.

"We will also use NUCLEP installations which are idle. The navy is not now resorting to private enterprise on a large scale because it is not interested in building some types of ships. However, the Sao Paulo industry will play a large role, supplying equipment, in the construction of the corvettes."

According to the minister, the navy's modernization plans call for a $1-billion investment over a 10-year period, or perhaps a little more than that. He said that the Brazilian Navy program is a modest one compared with the United States, which invested $1.8 billion to build the U.S. nuclear submarine Trident.

"Brazil is a long way from a submarine entirely built here, but studies on propulsion and equipment are already underway. The submarine will be nuclear in its propulsion system, not in its firepower. Brazil is not interested in making nuclear bombs. We are on good terms with the world and with Latin America."

In the navy minister's opinion: "Brazil cannot maintain a war materiel industry for the Brazilian Armed Forces alone. This could not be done because our nation invests little in the armed forces. The 1981 budget allocated 7 percent for the armed forces in contrast to 30 percent in 1950."

As for the missiles to arm the ships, Admiral Fonseca said that the technology for their manufacture was developed at the Aerospace Technical Center of Sao Jose dos Campos. "We have to work together and there is no escaping this rational distribution of labor. The position of Brazil's armament industry today is causing some jealousy in more developed countries, and there are many people who want to come here to manufacture weapons," the minister said. Admiral Fonseca then explained that the decision has not yet been made on the purchase of technology for the submarine, but a protocol of intention has already been signed by Planning Minister Delfim Neto and is being analyzed.

PRESIDENT DISREGARDS ARGENTINE OBJECTION TO SAMORE

PY260258 Paris AFP in Spanish 2248 GMT 25 Jun 81

[Text] Santiago, Chile, 25 Jun (AFP)--Today Chilean President Gen Augusto Pinochet attributed no importance to the statements made by certain Argentine sectors against Cardinal Antonio Samore, the pope's representative for the Holy See's mediation to solve the southern border conflict over the Beagle Channel.

Information from Buenos Aires pointed out that those sectors believe that Cardinal Samore supports Chile in the border conflict which the two countries have placed in the hands of the Holy See.

In a brief meeting with journalists, President Pinochet stated that this is the Argentines' own opinion on the matter.

The daily LA SEGUNDA, on its part, in its main editorial today stated that the objective of these criticisms against the mediator's representative is to weaken the confidence in him and to hinder the establishment of peace between Chile and Argentina as much as possible.

Regarding the eventual replacement of Cardinal Samore as papal representative in these negotiations LA SEGUNDA pointed out that this possibility, as is quite clear, is remote and absurd.

PRESIDENT PINOCHET DENIES POSSIBLE TRIP TO U.S.

PY261229 Santiago Chile Domestic Service in Spanish 1100 GMT 26 Jun 81

[Excerpts] In answering other questions asked by reporters accredited to Mondeda Palace regarding the future of U.S.-Chilean relations, President Pinochet stated that after the visit of Foreign Minister Rene Rojas, these relations have taken a favorable turn.

Asked about a possible trip to the United States, he said that there is nothing to say in this regard.

DEAD SUBVERSIVE REPORTEDLY TRAINED IN CUBA

PY282253 Paris AFP in Spanish 1533 GMT 26 Jun 81

[Text] Santiago, Chile, 26 Jun (AFP)--The National Intelligence Center (CNI) reported today that a leftist subversive element who died in a synchronized attack on two police stations and a bank in the Chilean capital on Monday was trained in Cuba.

Charles Ramires Caldera, 25, joined the Movement of the Revolutionary Left (MIR) in 1977, and 2 years later secretly traveled to Cuba to be trained in guerrilla tactics at the so-called Punto Cero Camp in Cuba, according to the CNI.

The CNI added that on returning to Chile, he participated in two bank robberies during which he killed a civilian guard and a policeman before he died in the action on Monday when five persons were wounded and the MIR escaped with $90,000.

BRIEFS

NEPALESE AMBASSADOR--The new Nepalese ambassador, D. Uddhav Deo Bhatt, presented his credentials to President Pinochet today. [Santiago Chile Domestic Service in Spanish 0000 GMT 26 Jun 81 PY]

FOREIGN MINISTER BARRERA ON PERU'S ATTITUDE

PA281626 Quito Voz de los Andes in Spanish 1230 GMT 28 Jun 81

[Interview with Foreign Minister Alfonso Barrera Valverde by unidentified reporter; date and place not given--recorded]

[Summary] [Barrera] "I am very happy that the Peruvian authorities are now maintaining an openminded attitude toward coexistence. This attitude should be hailed by Ecuadoreans, who have always wished to live in peace with their neighbors."

[Question] Have you come to talk with the president about the Andean Pact?
[Answer] The minister of industries and I have come to discuss several issues, including the Andean Group. "We have not reached any specific conclusions. Whenever we do reach any, you will be informed."

[Question] What is your personal opinion about the study being carried out by the Foreign Relations Committee of the Legislative Assembly on the conflict with Peru? What is the Foreign Ministry's contribution to that study?
[Answer] I can only refer to the representatives with gratitude and praise. "The Foreign Ministry has had excellent relations with the legislature. This is being demonstrated now by this Foreign Relations Committee, because it has called on the Defense and Foreign Ministries to work jointly with it." We should be happy that they are concerned about our relations with Peru. I praise this attitude.

[Question] Could the activities of this committee lead to a single Ecuadorean proposal to be upheld at international forums?
[Answer] Both the Legislative Assembly and the Foreign Ministry have their own positions, which will be presented to the public. We are seeking a consensus.

VICE PRESIDENT LEON ROLDOS TO JOIN NEW PARTY

PA291550 Quito Voz de los Andes in Spanish 1230 GMT 29 Jun 81

[Text] Vice President Leon Roldos has announced that he will leave the Democratic Party [PD] and join the People, Change and Democracy [PCD] movement. The PCD grew out of the conflict between late President Jaime Roldos and Assad Bucaram, top leader of Concentration of Popular Forces, and began taking shape while Roldos was still alive. The vice president made the announcement during the opening session of the PD's fourth national convention in Ambato.

MINISTER SETS MINIMUM OIL BARREL PRICE AT $32

PA270347 Quito Cadena Ecuador Radio in Spanish 2300 GMT 26 Jun 81

[Text] Natural Resources Minister Engr Eduardo Ortega fixed $32 at the minimum price for a barrel of oil for long-term sales. This measure entered into effect on 1 June and was adopted in view of the constant deterioration of the oil prices in the world market, which has seriously affected the marketing of the Oriente crude, and to adapt the marketing of our oil to the international market and to avoid paralyzing exports.

BRIEFS

NEW AMBASSADORS--The new Italian ambassador to Ecuador, Bernardino Osio and the new Austrian ambassador to Ecuador, Manfred Ortner, presented their credentials on 23 June to Ecuadorean President Oswaldo Hurtado Larrea. [Quito Cadena Ecuador Radio in Spanish 2300 GMT 23 Jun 81 PA]

NEW PEMEX DIRECTOR HOLDS NEWS CONFERENCE

FL271616 Mexico City NOTIMEX in Spanish 0123 GMT 27 Jun 81

[By Leonardo Valadez C.]

[Text] Mexico City, 26 Jun (NOTIMEX)--The director of Mexican Petroleum (Pemex), Julio Rodolfo Moctezuma Cid, announced today in a news conference that the price of Mexican crude oil for export could soon increase by $2 dollars, as soon as negotiations with clients abroad conclude. The Pemex director added that Mexico's production goal of 2.75-million barrels per day will not be changed, even though it has not yet been attained. He added that production will not be reduced. The crude oil export level, which has been set at 1.5-million barrels per day, will be maintained without changes, Moctezuma Cid added.

Speaking to reporters from the principal national and foreign communications media, Moctezuma Cid said that he met today with President Jose Lopez Portillo and the abovementioned decisions as well as others resulted from these talks.

The Pemex director read a statement declaring that the country's oil policy will continue along the lines of the global development plan (PGD) and the national energy plan. Mexico is part of the world oil market but its participation is minimal, it notes, and adds that the daily level of crude oil exports, 1.5-million barrels, has not been reached.

At the reporters' insistent questions concerning the losses experienced by Pemex with the $4-a-barrel reduction on 1 June, the director of the state-owned company said: "Let us be perfectly clear that Pemex has not incurred losses with the reduction in price; what happens is that Pemex has stopped earning."

At the beginning of the news conference, held at the conference room of the Pemex administration building in this city, Moctezuma Cid allowed that Pemex has received an extraordinary push from the federal government in this 6-year period which has made it possible for Pemex to multiply its proven reserves of hydrocarbons and its production of crude oil. He said that Pemex will streamline its marketing systems and reiterated what Jose Andres de Oteyza, secretary (minister) of patrimony and industrial development, said days earlier that Pemex will choose its clients more carefully.

Concerning the situation of the countries that are getting Mexican and Venezuelan crude under the provisions of the San Jose Accord, the Mexican official said that the agreement will not be altered in any way.

Moctezuma Cid also reported that Pemex will increase its manufactured products for both the domestic and international markets. he said that Mexico's crude oil exports have dropped by 310,000 barrels per day but he claimed that this was temporary and that Pemex is still discussing with its clients how they will receive the Mexican crude in keeping with the agreements signed.

The Pemex director reported that the company will require from 40 to 50 billion pesos ($1.5 to 2 billion) in foreign financing to continue with its expansion programs, exploration of wells and new deposits and the manufacture of refined and petrochemical products.

Another important point at the conference was "bringing out into the open" the subsidies that Pemex grants in some areas. After noting the aforementioned, Moctezuma Cid said that those subsidies are granted by the federal government and that they correspond to the state's overall policies.

Mexico will not join OPEC because it does not suit our interests right now, Moctezuma Cid said, reiterating President Jose Lopez Portillo's words.

Asked whether Canada, France and Colombia had cut down on their purchases of Mexican crude oil, the official said that those are reports fabricated by the international media and have nothing to do with reality.

He said he favored making the most of petroleum installations, refineries, oil pipelines, petrochemical complexes and that he favored a more acequate use of the gas in Campeche Sound (in the Gulf of Mexico).

AUSTRALIAN PRIME MINISTER MALCOLM FRASER'S VISIT

Bomb Scare at Embassy

BK240932 Melbourne Overseas Service in English 0830 GMT 24 Jun 81

[Text] The Australian Embassy in Mexico City was evacuated after a bomb scare shortly before the prime minister, Mr Fraser, arrived in the capital today.

A spokesman said the embassy was closed for the day after police telephoned to warn them that a threat had been made against the mission. He said there was nothing to connect the threat with Mr Fraser's visit. The spokesman said he believed the threat was linked with the campaign to draw attention to the complaints of Mexico's students, teachers and peasant farmers.

A number of foreign missions in Mexico City have been occupied by demonstrations in recent weeks as part of the campaign.

Arrives in Mexico City

PA250426 Mexico City International Service in Spanish 0300 GMT 25 Jun 81

[Text] Australian Prime Minister John Malcolm Fraser arrived in Mexico City yesterday on an official 3-day visit to discuss bilateral matters with President Lopez Portillo.

Fraser and his party were received at the presidential hangar by Jorge Castaneda and Enrique Olivares Santana, secretaries of foreign relations and of government, respectively.

Fraser told the reception committee that it was a pleasure to come to our country, the first Latin American country that he has visited as prime minister of Australia.

The Australian prime minister later said he is anxious to meet with President Lopez Portillo to talk about problems affecting the two nations. He said he particularly hopes to hear President Lopez Portillo's opinions regarding the North-South dialogue to be held in Cancun, Quintana Roo, in October.

Fraser later added that Australia and Mexico are relatively young countries that are progressing rapidly. Therefore, his talks with President Lopez Portillo will include plans for the two countries' development.

Finally, Fraser said that this visit to our country will help to increase understanding between the two peoples.

Cooperation Agreement Signed

FL242103 Mexico City NOTIMEX in Spanish 2019 GMT 24 Jun 81

[Text] Mexico City, 24 Jun (NOTIMEX)--On the occasion of the visit to Mexico by Australian Prime Minister John Malcolm Fraser, a bilateral cooperation agreement in the fields of science and culture was signed here today. The document was signed at the Foreign Secretariat. The agreement provides for the exchange of scientific and technological experiences and furthering and stimulating cooperation in science and technology for peaceful purposes in the private and public sectors of the two nations.

The agreement also provides for the exchange of communications in science and culture as well as of materials in those two branches of human knowledge. Mexico's Foreign Secretary Jorge Castaneda and Australia's secretary of the Foreign Affairs Department, P.S. Henderson, signed the document.

Lopez Portillo Holds Talks

FL242157 Mexico City NOTIMEX in Spanish 2053 GMT 24 Jun 81

[Text] Mexico City, 24 Jun (NOTIMEX)--Mexico's President Jose Lopez Portillo and Australia's Prime Minister John Malcolm Fraser today held the first 1-hour round of talks at the official Los Pinos residence. The president of Mexico met the Australian prime minister at the front step of the presidential residence. The prime minister arrived accompanied by Geoffrey Yeend, secretary of Australia's Department of the Prime Minister and Cabinet, as well as Ambassador to Mexico Kevin Gates and P.G.S. Henderson, secretary of the foreign Affairs Department.

Immediately afterward, Fraser and Lopez Portillo went to the presidential office where they held private talks, at the conclusion of which they exchanged presents. At the library of the official residence, they held more talks accompanied by their assistants, among them Mexico's Foreign Secretary Jorge Castaneda; secretary of Agriculture and Water Resources Francisco Merino Rabago; Under Secretary of Foreign Relations Alfonso D. Rosenzweig; Foreign Secretariat's Director General for Africa, Asia and Oceania Fernando Elias Calles; and Ambassador to Australia Jesus Cabrera Monoz, as well as the members of the Australian delegation.

At the conclusion of the talks, President Lopez Portillo accompanied his guest to his limousine. This afternoon Malcolm Fraser will observe a private schedule and tonight will attend a banquet being hosted in his honor by the Mexican chief of state.

Fraser Stresses Joint Role

FL251139 Mexico City NOTIMEX in Spanish 0430 GMT 25 Jun 81

[By Enrique Alvarez Manilla]

[Text] Mexico City, 24 Jun (NOTIMEX)--Noting that Mexico is an example to the world, Australian Prime Minister Malcolm Fraser has offered to intervene in the British Commonwealth in favor of North-South dialogue. The Australian statesman explained that shortly before the Cancun summit, Australia will host a meeting of Commonwealth heads of state and they will discuss issues that affect relations between developed and underdeveloped countries.

He said that Australia and Mexico are countries in an intermediate position and that they have a role to play in matters of peace and stability as well as development and progress. It would be a mistake to remain silent, he added, and not help in clearing up problems or strengthening the determination to overcome them at a time when any step forward is of value. "It is not enough to leave that responsibility and obligation in the hands of the great powers: We must exercise our intellect and criterion because we are capable of standing together," he said.

Countries like Mexico and Australia can speak to the big powers without feeling intimidated and with smaller countries with a sincere understanding of their situation. The moves that the two nations may make are less likely to arouse a feeling of competition and are less likely to cause suspicion and misunderstandings than would the initiatives of the big powers.

He added that Australia and Mexico are working on an agreement on science and technology that will be a concrete step in strengthening relations and at the same time a way to transfer technology to other less developed countries. Both nations are rich in energy sources: Mexico in petroleum and natural gas, Australia in coal and uranium; consequently, they enjoy the privileges and obligations inherent in the possession of an abundance of energy. Fraser said that the importance of energy in the world can never be emphasized enough and the same applies to the proposal for a world energy program, a concrete step forward in this area.

The Australian prime minister was speaking at the dinner in his honor given by President Jose Lopez Portillo at the Foreign Ministry.

Lopez Portillo at Banquet

FL251129 Mexico City NOTIMEX in Spanish 0435 GMT 25 Jun 81

[By Enrique Alvarez Manilla]

[Text] Mexico City, 24 Jun (NOTIMEX)--Noting that current international policy is not aimed at establishing peace but at setting down the limits of each war, President Jose Lopez Portillo has come out in favor of a world order that excludes the use of force and solves differences peacefully. The president was speaking last night during the dinner he gave in honor of his guest, Australian Prime Minister Malcolm Fraser at the Foreign Secretariat.

Lopez Portillo said that the world could find itself in a disarray signaling the end of all options and hence war would cease to be an elective and peace would become a far-off utopia; to establish an international order without the use of force is not an easy task: It requires that each state assume its share of responsibility to mold several wills into a single one.

He noted that the principle of self-determination has been violated or is in jeopardy in the current major crises and that is why Mexico holds that the recogntion of sovereign rights is the only way to solve international conflicts. Despite the ominous clouds darkening the horizon, "I trust that reason will prevail over prejudice and the fanaticism of violence," the president said. The prolongation of states of war or belligerent conflicts that result in the victory of none of the parties reveals the ability and shortcomings of a policy based on equilibrium. [as received]

Mexico and Australia, said Lopez Portillo, share a broad geopolitical view and are trying not only to increase their economic exchanges but also to cooperate in the task of creating a safe, just and prosperous world. Concluding, the chief executive said that both nations [words indistinct] and a series of joint actions useful to the security and harmonious development of the international community.

Leaders Stress Ties

FL061119 Mexico City NOTIMEX in Spanish 0515 GMT 26 Jun 81

[By Enrique Alvarez Manilla]

[Text] Mexico City, 25 Jun (NOTIMEX)--President Jose Lopez Portillo said tonight that he was pleased and confident to "verify that Mexico and Australia are sitting on the same side of the table."

The president made the statement in expressing appreciation for the dinner in his honor given by Australian Prime Minister Malcolm Fraser, who has almost concluded his official 3-day visit to Mexico.

Lopez Portillo said that in his talks with Fraser they reached specific agreements and full understanding on international matters of mutual interest. The president made a brief speech because he said he had agreed as much with Fraser last night so that the gathering would not lose its atmosphere of fraternity and cordiality and take on a more solemn tone.

For his part, the Australian prime minister thanked Lopez Portillo for his welcome and for the opportunity to strengthen ties and form a common front with Mexico on bilateral matters and matters that concern both poor and rich countries. Fraser reiterated his invitation to Lopez Portillo to visit Australia so he may recognize and identify the similarity of views with Mexico despite the huge ocean--the largest--that separates them.

The Australian prime minister will conclude his state visit to Mexico tomorrow when he leaves at 1030 local time from the presidential hangar on his way to Canberra.

Fraser Ends Visit, Departs

FL262201 Mexico City NOTIMEX in Spanish 1729 GMT 26 Jun 81

[Text] Mexico City, 26 Jun (NOTIMEX)--Australia's Prime Minister Malcolm Fraser today departed for his country at the conclusion of an official 3-day visit to Mexico. At the presidential hangar of Mexico City's international airport, Fraser was seen off by Secretary of Government Enrique Olivares Santana and Foreign Secretary Jorge Castaneda, who represented Mexican President Jose Lopez Portillo.

As the Mexican and Australian national anthems were played, an artillery unit fired a 21-gun salute in accordance with protocol and the visitor's high office. Before boarding the aircraft, the Australian prime minister rendered a military salute to the Mexican flag. The aircraft taking him home is a Boeing 707 of the Royal Australian Air Force, aboard which traveled the 15 members of his delegation and more than 20 newsmen.

Foreign Secretary Jorge Castaneda said Fraser is leaving the country profoundly impressed by the hospitality accorded him by the Mexican people and government as well as satisfied over the results of the talks he held with President Jose Lopez Portillo.

22 COUNTRIES TO ATTEND NORTH-SOUTH DIALOGUE SO FAR

FL262221 Mexico City NOTIMEX in Spanish 2149 GMT 26 Jun 81

[Text] Mexico City, 26 Jun (NOTIMEX)--Of 23 countries invited to participate in the North-South dialogue next October at the Mexican Caribbean port of Cancun, 22 have confirmed their attendance. The president of the Foreign Relations Committee of Mexico's Chamber of Deputies, Alejandro Sobarzo, made the announcement during a meeting with representatives of Japan's parliament, who visited their Mexican colleagues at the offices of the grand commission of the lower chamber.

Sobarzo said that of the nations invited to the conclave only the Soviet Union has not confirmed its attendance to this summit meeting.

For their part, the Japanese parliamentarians expressed their country's total support for the Mexican Government in sponsoring the North-South dialogue. Mexico's and Japan's parliamentarians exchanged experiences on the functioning of their respective governments, the structure of the legislative bodies and the economic systems governing their development.

USSR Envoy: USSR Won't Attend

PA280451 Paris AFP in Spanish 0325 GMT 28 Jun 81

[Text] Mexico City, 27 Jun (AFP)--Rostislav Sergeyev, Soviet Ambassador to Mexico, today said that the Soviet Union will not participate in the North-South Summit in Cancun "although it will continue fighting for the creation of a new, just international economic order that benefits all."

The diplomat was interviewed at the Mexican airport as he was waiting for the arrival of the Bolshoi Ballet from Moscow.

He added that the previous North-South dialogues failed because the Western countries tired to use them for their own benefit "to keep their economic privileges in the international exchange."

According to Sergeyev, "although the USSR would be pleased to see positive results in Cancun, it believes that the most viable path to achieve them is within the framework of the United Nations."

The diplomat also reiterated his affirmation that "the greatest danger for the economic, technical and cultural development of many countries is the arms race" and noted that nuclear weapons should be prohibited and their existence should be limited particularly between the United States and the Soviet Union.

DEPUTIES HOLD TALKS WITH KOREAN LEGISLATORS

FL270109 Mexico City NOTIMEX in Spanish 2313 GMT 26 Jun 81

[Text] Mexico City, 26 Jun (NOTIMEX)--The violation of the principle of self-determination and nonintervention places world peace and security in jeopardy. The statement was made by Deputies Alejandro Sobarzo Loaiza of Mexico and Yu Chi-song of Korea, during a meeting held by parlamentarians from the two countries at the Grand Commission of the Mexican lower chamber. They stated that Mexico and Korea, which are developing countries, have a similar past and base their future on that principle.

The parliamentarian delegation from South Korea is conducting a working tour of Mexico for the purpose of learning the legislative system.

Deputy Sobarzo Loaiza, president of the Foreign Relations Committee of the lower chamber, received the Korean legislators on behalf of Luis M. Farias, president of the Grand Commission. The Mexican legislator extensively briefed the visitors on Mexico's international policy, and said that when the principle of nonintervention is violated, there is a risk that any internal conflict could internationalize and place in jeopardy the entire region's peace. He mentioned Mexico's defense of this principle and, specifically, in the case of El Salvador which has lead to differences with other countries. However, he added, El Salvador will be able to exercise its right to self-determination only if the principle of nonintervention is scrupulously observed.

For his part, Yu Chi-song, president of Korea's Democratic Party, noted that his country admires the political stability in Mexico, a country which has maintained such stability over 50 years. He also explained that South Korea defends the principle of nonintervention and that the Korean legislators will proclaim themselves allies in defense of it throughout the world.

COSTA RICA

SANDINIST BORDER VIOLATIONS REPORTEDLY TO END

PA291744 San Jose Radio Reloj in Spanish 1200 GMT 29 Jun 81

[Text] After several telephone conversations and personal meetings, the incidents which had been frequently occurring on the northern border have been solved. A large number of persons had periodically been asking the authorities to stop the continuing Sandinist violations of our territory at the border. This prompted our authorities to speak with their Nicaraguan counterparts, and after Public Security Minister Arnulfo Carmona paid a visit to Ruben Dario's fatherland [Nicaragua], joint actions were agreed upon which will benefit the two countries.

OIJ REPORTS ON SEARCH, TERRORIST STRUCTURE

PA271418 San Jose Radio Reloj in Spanish 0100 GMT 27 Jun 81

[Text] Eduardo Aguilar, director of the Judicial Investigation Organization [OIJ], said that Viviana Gallardo participated in the attack against the Costa Rican [words indistinct].

He also said that the OIJ arrested the Vega Miranda brothers in Alajuela on charges of committing several swindles and other crimes. Daniel Vega Miranda had forged several checks and his brother Leonardo, a caddie at El Carieri Club, contacted a third party in a warehouse where they stole over 50,000 colones worth of electrical appliances.

One of the Vega Miranda brothers participated with Viviana Gallardo and Carlos Henriquez in the attack on the U.S. Embassy vehicle in which several persons were injured in an explosion. The OIJ also found out that Daniel Vega Miranda participated in the incident in which three civil guardsmen and one taxi driver were killed. Only one person involved in this incident is still at large, Aguilar reported.

The OIJ is trying to discover the origin of the arms and the radio equipment used by the terrorists to make their contacts abroad.

Aguilar is certain that the OIJ has dealt a serious blow to the terrorist organization. However, he added, it is hard to say if it has been totally dismantled. Nothing is known of the leaders of these political assassins, Aguilar pointed out. We do not know if they are still in the country or if they have left, he added.

Aguilar said that on many occasions these terrorists infiltrated groups of squatters. There is evidence, he said, that they participated in many land invasions and one of them even received a piece of land. These Marxist-Leninist bandits were so daring that they joined the peasants who invaded [words indistinct]. The terrorist organization which started to operate this year has cells formed by people of all social levels. The tasks to be carried out by each cell were assigned according to the status of its members, but everything was planned to take place in a chain reaction. Many university students were sent to rural zones, to be in charge of propaganda campaigns. This was confirmed in the documents seized by the OIJ.

President Offers Support

PA280245 Panama City ACAN in Spanish 1529 GMT 25 Jun 81

[Text] San Jose, 25 Jun (ACAN-EFE)--Costa Rican President Rodrigo Carazo today offered to preserve institutional order through political decisions to counter violence.

In a press communique released by the Presidential Palace, Carazo notes that at the present time "terrorism is a weapon used by criminals of all origins."

By saying this Carazo has separated these acts of violence from any given political or ideological tendency, placing the culprits in the category of "common criminals."

"A terrorist is not a politician but a common criminal bent on destroying everything in order to sow violence within society and make it slip into an authoritarian rule and an arms race."

This reasoning is being used by Carazo to try to convince deputies and politicians to desist from establishing a despotic apparatus because it would justify terrorism.

In return, the chief of state offers "determination and a strong hand" as well as "political decisions" to counter violence.

OIJ Blames South Americans

PA271427 Panama City ACAN in Spanish 1823 GMT 24 Jun 81

[Excerpts] San Jose, 24 Jun (ACAN-EFE)--The Judicial Investigation Organization (OIJ) has discovered that the terrorist organization operating in Costa Rica was created by South Americans and is made up of 15 cells, with 3 to 5 persons to each cell, which act with quite a bit of independence.

According to the authorities, the terrorist organization was founded in 1976 by two Uruguayans who were Tupamaros members. One of them is Walter Iznardi Martinez, who is being feverishly sought throughout the country.

The authorities are also looking for Mario Firmenich, alias "the German," chief of the Argentine movement "Los Montoneros," who was said to have organized the "Central American Vanguard Forces." This Costa Rican group is made up of the Montoneros together with the "Cinchoneros" of Honduras, the Che Guevara group of Guatemala and the Farabundo Marti National Liberation Front of El Salvador.

According to details revealed unofficially today, the police have so far dismantled three of these groups which became evident after the 12 June shooting in this capital.

The authorities have reported the arrest of 13 members of various cells including 4 whose identities are being kept absolutely secret because they are said to be the "big wigs" in the organization.

Police spokesmen told ACAN-EFE that the terrorists themselves have confessed that the authorities have them in check and that they have received harsh blows in the past 2 months.

With the arrest of these 13 persons, the OIJ feels that it has dismantled 2 or 3 cells which participated in the attacks against the Honduran Embassy and the U.S. Marines who guard the U.S. Embassy and in the shootout with the police in El Zapote and the 12 June armed clashes in 2 neighborhoods of this capital in which 2 policemen were killed.

VENEZUELAN PRESIDENT SUPPORTS COFFEE PRICE DEFENSE

PA280237 San Jose Radio Reloj in Spanish 0100 GMT 27 Jun 81

[Text] Venezuelan President Luis Herrera Campins has offered his country's solidarity in response to a call Costa Rican President Rodrigo Carazo made to the chiefs of state of the nations that import and export coffee in view of the decline of international coffee prices.

In a message sent this afternoon, President Herrera Campins states: We have always pointed out the problems of raw materials because of the fluctuation in prices due to manipulation by the big powers. OPEC, an organization that has not refused to participate in fields where it could benefit the developing countries, was created to safeguard oil prices.

The message from the Venezuelan president is the first statement of support Carazo has received in response to the appeal he recently made because of big drops in coffee prices. Carazo believes that producers should create a common front to defend their basic products which are being manipulated by the big consumer nations.

The Costa Rican president made the appeal because the present $80 [per sack] price of coffee is resulting in losses for the nations whose economies depend on coffee exports.

EL SALVADOR

VENCEREMOS SALUTES SOLIDARITY FORUM IN MEXICO

PA292150 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Jun 81

[Text] The first international forum of solidarity with the Salvadoran people's struggle is currently underway in Mexico. Participating in the forum are the Farabundo Marti National Liberation Front, political parties, unions, universities, religious leaders, intellectuals and diplomats.

We salute Monsignor Mendez Arceo and everyone in Mexico for forging a militant solidarity which represents a bulwark of antifascist and anti-imperialist continental dignity.

PROMPT U.S. ECONOMIC, MILITARY AID PRAISED

PA270053 San Salvador Domestic Service in Spanish 1845 GMT 26 Jun 81

[Station commentary: "Actions Speak Louder Than Words"]

[Excerpts] A policy in which actions speak louder than words is being adopted by the United States in the face of the interventionist attitude of Cuba and other communist countries in Central America and the Caribbean. This is the warning that Thomas Enders, assistant secretary of state for Inter-American Affairs, made during a recent official visit to Colombia and Venezuela.

This means that effective actions will be taken to immediately help countries such as El Salvador which need this economic and military aid. There will be no troops, however, only equipment to adequately prepare us to face the Marxist-Leninist groups.

Our government and armed forces have confirmed what the U.S. official said. In operations against the guerrillas, the authorities have confiscated a considerable amount of war supplies brought from abroad and captured several guerrillas and even mercenaries who were trained in Cuba.

Although our army has demonstrated its great fighting capacity to defend us from communist aggression, there is no doubt that the friendly economic and military aid the United States can give us will arrive opportunely. This will confirm, because of the prompt way in which it will be sent, that at this critical moment, actions speak louder than words, as Enders has let it be understood.

ARMS TRAFFICKERS CAPTURED BY NATIONAL POLICE

PA270119 San Salvador EL DIARIO DE HOY in Spanish 26 Jun 81 pp 4, 30

[Text] Jose Gerardo Elias Villata, Francisco Guillermo Silhy and Ernesto Digit Nasser have been captured by the national police and charged with arms trafficking with the terrorists.

In connection with this operation, the information office of the national police issued the following bulletin:

"Responding to information from citizens interested in putting an end to the climate of violence unleashed by subversive groups, officers of the national police have proceeded to capture Jose Gerardo Elias Villalta, identified as a go-between in arms traffic on behalf of the terrorist groups.

"In view of the information received on this individual, the police were able to establish that Elias Villalta received money from female terrorist Sara Carmen Carranza, a relative of Mario Orlando Aguinada Carranza, to purchase arms which were delivered to Sara Carranza, 'La Ronca,' at a business establishment known as Casa Elias owned by the prisoner in La Mascota.

"In his testimony Elias Villalta said that although he is not a member of any group, he has been participating in the purchase of arms for the People's Revolutionary Army (ERP), of which the Carranza woman is a member. He has been engaged in these activities since September 1980, when he met Ernesto Digit Nasser, who told him he was selling a special 38-caliber pistol and that he also knew of a friend who was selling an UZI machinegun. Since the Carranza woman had told him she was interested in obtaining arms, he proceeded to buy the pistol from Digit; later both went to look for Francisco Guillermo Silhy to buy the machinegun, for which he paid 4,000 colones, receiving in turn 5,000 colones from the Carranza woman for the weapon.

"A few days later, through his store at La Mascota, he met a man named Luis Munguia, who sold him an UZI machinegun for 4,000 colones, a 12-caliber shotgun for 2,500 colones, a 22-caliber rifle for 1,000 colones, a 9-mm caliber pistol for 2,500 colones and a 3.57-caliber pistol for 2,500 colones. Later, he learned Munguia had been in prison and after being released had left for Guatemala. In order to purchase those arms, the Carranza woman first gave him 16,000 colones and later 8,000 colones.

"In view of his inability to obtain more weapons in the country, the Carranza woman suggested that Fernandez Flores go to Guatemala, which he did, posing as a buyer of sports equipment to sell at his store back home. Fernandez Flores left for Guatemala in March and stayed at the Camino Real Hotel. Just as the Carranza woman had told him, he was contacted in his automobile in the hotel's parking lot by a man who delivered a package containing cartridges of various calibers. He returned to El Salvador through the San Cristobal border point, having no difficulties on his return. When he arrived in this city, following instructions, he left his automobile stationed near the Flor Blanca Stadium, where a man known as Pedro would pick up the purchased arms. The Carranza woman paid him 300 quetzales for each trip he made to Guatemala. Digit Nasser, besides having interceded with Silhy to sell him the UZI machinegun, also sold him a special 38-caliber revolver.

"Based on the testimony of Elias Villalta, the police proceeded to arrest Ernesto Digit Nasser and Francisco Guillermo Silhy Zacarias and turned them over to the military courts for trial.

"Through these testimonies, it was possible to establish that the arms obtained through Elias Villalta were received by the company 'Taxis Aereos Urgentes, S.A.' This company was closed down approximately 3 months ago when the armed forces confirmed that it was a front organization of the ERP."

GUATEMALA

OFFICIAL REACTS TO LEFTISTS ON TRAINING IN CUBA

PA300353 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 29 Jun 81

[Text] The revelations made by Paulino Castillo, alias El Nino, and Catalino Xunuch, alias Ali, former members of the Armed People's Revolutionary Organization, regarding their training in Cuba show up the lies spread by Amnesty International about subversion in Guatemala, said Maj Rolando Archila Marroquin, under secretary of public relations of the presidency.

Their own statements show how they were recruited and taken abroad to be trained in Cuba. This is positive proof that refutes the statements of Amnesty International, whose office in Hannover denied that the Guatemalan guerrilla movement was receiving arms, training and aid from Cuba, the spokesman concluded.

The presidential press secretary stressed that the revelations by former guerrillas Pauliro Castillo and Catalino Xunuch paint a true picture of Amnesty International and the lies which its leaders are used to telling.

Concluding, Major Archila Marroquin said that the people of Guatemala can now judge for themselves how subversive groups are financed and sponsored by Cuban communism in its intent to cause chaos and to recruit humble peasants through deceit and pretense.

HONDURAS

TEXACO TO BUY DIESEL FUEL FROM SAUDI ARABIA

PA262300 Tegucigalpa Radio America in Spanish 1415 GMT 26 Jun 81

[Distributed by Inter-Central American Radio Organization]

[Text] Economy Secretary Ruben Mondragon has announced that yesterday the government authorized the TEXACO refinery to import 75,000 barrels of diesel fuel from Saudi Arabia in an effort to overcome the diesel fuel shortage which should be over in about 3 days. He said that the shipment will arrive in Honduras on Sunday and that it will solve the fuel crisis that started a few days ago when the refining activities at the TEXACO refinery were paralyzed.

Mondragon admitted that the Honduran Government is violating the oil supply agreements signed with Mexico and Venezuela but he explained that this violation is the fault of the TEXACO refinery. The TEXACO refinery refuses to refine crude from Mexico and Venezuela, especially from Mexico, and for this reason it decided to import fuel from Saudi Arabia.

This situation has forced the Honduran Government to suspend the purchase of crude from Mexico and Venezuela. This violation may bring serious problems to the government because Mexico and Venezuela produce their crude according to their sale commitments. The suspension of the Honduran oil purchases are resulting in an accumulation of a 6,000-barrel surplus per day for each country. If this suspension continues, Mexico and Venezuela may sell the surplus to other governments and leave Honduras without an oil supply for violating its agreements.

BISHOPS MEET TO DISCUSS CHURCH IN CENTRAL AMERICA

PA262218 Panama City Televisora Nacional in Spanish 2315 GMT 25 Jun 81

[Text] Some 30 bishops of Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama opened a 3-day meeting in Tegucigalpa to discuss the role of the Catholic Church in the seven countries. The meeting is sponsored by the Latin American Episcopal Council and it is presided over by MSG Hector Henriquez Santos, archbishop of Tegucigalpa. Definite and significant conclusions are expected to be reached during the meeting with regard to the situation of the Catholic Church in Central America. One of the main tasks of the meeting is related to the catechesis.

NICARAGUA

FORUM PARTICIPANTS REACH POINTS OF CONCURRENCE

25 June Talks

PA261535 Managua Radio Sandino in Spanish 0300 GMT 26 Jun 81

[Report by Roberto Gonzalez from Planning Ministry auditorium in Managua--live or recorded]

[Text] [Gonzalez] The meeting of the parties of the revolution and the rightwing groups ended tonight at 2020 in the Planning Ministry auditorium. Here is Companero Eli Altamirano, [leader of the Communist Party]. Companero, what were the resolutions or points of concurrence that you reached?

[Altamirano] I could not list them all but there are about 17 points on which we concurred. They will begin to be released tomorrow and they will be officially read at the forum on Saturday.

[Gonzalez] Do you think today's meeting was very positive?

[Altamirano] Yes, it was quite positive. The forum has reached a point of maturity and understanding. The problems have been discussed with dignity and a democratic concurrence of views is being achieved.

[Gonzalez] Commander Carlos Nunez, can you tell us if you have reached important points of concurrence in today's meeting?

[Nunez] First I must state that we have held a very exhausting meeting in which the proposals submitted by the parties of the revolution and the other delegations were discussed. I would say that there were about 18 to 20 points in which there was a concurrence of views. In view of today's long session, we have decided the following: the preparatory commission will work tomorrow to put these points in order and to have them ready by Saturday morning. However, efforts will be made so that they will be in the hands of each of the delegations by Friday night so that they can be released to the news media. In any case, we can state that those points of concurrence will be announced on Saturday.

[Gonzalez] Commander, can you let us know one or two of the most important points on which you have concurred?

[Nunez] Well, we can state that we have concurred on the significance of the Somozist inheritance in our country, on the character of the revolution, what pluralism should mean, the efforts that should be made for the changes that should be carried out in the revolution in the framework of the national reconstruction, the coordination that should exist among the various parties to reach the best decisions that will give greater consistency and cohesion to the revolution, and the factors to defend the revolution and what the various parties should (?contribute).

[Gonzalez] Did you concur on the agrarian reform?

[Nunez] There was some concurrence of views regarding the agrarian reform, the needs involved and who should benefit from it.

[Gonzalez] Were there points on which you didn't agree?

[Nunez] Yes, undoubtedly, as has been said at all times the effort was to reach points of concurrence. There is disagreement in the views of the delegations and therefore you will see in the document that will eventually be issued that the points of concurrence are based on minimum points of concurrence and that on other points there is disagreement.

[Gonzalez] Commander, Adan Fletes, [president of the Social Christian Party], said today that the revolutionary parties are violating the regulations of the forum. Can you tell us to what violations he was referring?

[Nunez] I think he was referring solely to the publications of the points of concurrence proposed by the parties of the revolution. I say this because they have expressed disagreement with this. However, there has been some confusion. It had been thought that we had released the proposals that the moderator had sent to each of the delegations. We clearly stated that we were publicly releasing the proposals of the parties of the revolution along with the points of concurrence which, in the opinion of our delegation, had been found. We stated that this was not a definite position but that on the basis of those points of concurrence, we would continue discussions. In this sense, our delegation doesn't feel there have been any violations and that each delegation if it so desires can release its proposals whenever it wants.

[Gonzalez] Commander, is there a possibility of reaching a small agreement between both delegations on the basis of these points of concurrence that you achieved today?

[Nunez] The points of concurrence, once they have been put in order by the preparatory commission, are actually minimum points of agreement. As I said there are around 18 or 20 points. I don't have the exact number right now. They signify points of concurrence that will be presented. We think that if we release them to the press tomorrow night, the moderator can officia-ly announce them at the beginning of the third round of the forum to discuss national problems.

Among the points of concurrence are the issues of self-determination, the rejection of any attitude that deteriorates or hinders the goals of the revolution, the participation of workers, the social demands, the need to overcome the vices of Somozism and the need for national unity.

[Gonzalez] What about the depletion of capital?

[Nunez] There is no agreement on this point. You will excuse me if I don't give you details on what could be the concurrence of views on the depletion of capital. However, I can say in advance that the two delegations agree on (?understanding) the issue of the depletion of capital and condemning it.

[Gonzalez] This was commander of the revolution Carlos Nunez speaking today after the important meeting held in the Planning Ministry auditorium. Dr Jerez [leader of the Nicaraguan Democratic Movement], according to what Commander Nunez said, you have definitely reached a concurrence on about 17 points?

[Jerez] That is right. We worked on about 17 points. We took into account the proposal that they had, as well as our proposal and the proposal presented by the moderator as tentative points of concurrence. A number of reforms were introduced to those proposals in an effort to reach a minimum concurrence. As Nunez said, the preparatory commission will meet tomorrow to put this in order. There is still one pending point that will be redrafted tomorrow. When we meet on Saturday morning, the moderator will read these points to all our people and then both delegations will sign these agreements.

[Gonzalez] What do you mean when you refer to tentative points of concurrence? Aren't these points of concurrence?

[Jerez] They are points of concurrence but the draft of these points will be grammatically polished tomorrow.

[Gonzalez] On what point were you in complete agreement? You presented a list of about 18 points and so did the parties of the revolution. On what points did you completely concur with the positions of the parties of the revolution?

[Jerez] We can say that there was no complete concurrence on any of the points. All of the points underwent reform, both theirs and ours. However, they were redrafted taking into account the positions of the two delegations in order to reach a concurrence.

[Gonzalez] After this almost 6-hour meeting, do you think the forum is going well?

[Jerez] Well, at least today it developed in a practical way as should have occured on previous occasions. I hope that this pace will not be discontinued and that we will be truly achieving the practical agreements and solutions that our people need. We and the Nicaraguan people would feel frustrated if the necessary steps are not achieved in the future discussion of the subjects that are so important in order to reach these practical solutions. I think this first phase was really one of general concepts on the process. We have apparently surpassed this phase and we hope that there won't be any more delays in the future and that we will truly reach agreements and concurrences on the rest of the long list of subjects.

Document Signed 27 June

PA271826 Managua Radio Sandino in Spanish 1627 GMT 27 Jun 81

["Concurrences of the organizations participating in the forum for discussion of national problems" signed at the morning session of the Nicaraguan forum on national problems at the Planning Ministry auditorium on 27 June; read by forum moderator Julian Corrales--live]

[Text] Introduction: On the basis of the fact that we have acknowledged the existence of differences, but that the purpose of the forum is to seek practical agreements that will contribute to the national coexistence, we state the following points:

1. There is just one revolutionary process in progress and its stage of national reconstruction is governed by the program of the junta of the Government of National Reconstruction, the fundamental statute and the statute of rights and guarantees of Nicaraguans.

2. The program of the Nicaraguan revolution is characterized as democratic, popular, pluralist and anti-imperialist and it should be developed in this spirit.

3. The fundamental statute, the statute of rights and guarantees of Nicaraguans, and the Government program are essentially valid at the present stage and should be fulfilled, but they should be transformed if this is required by the dynamics of the revolutionary process, as is established in these very documents. Both delegations agree that in such cases there should be suitable consultation and means of participation which will lead to the establishment of common views that will help to make it possible to arrive at the best decisions.

4. Democracy and its exercise should be conceived realistically, in a manner suited to our socioeconomic, political and historic context.

5. Both delegations agree that the pluralist concept of the government program is the framework within which the process of Nicaragua's reconstruction should be developed. Pluralism as an expression of the historic condition within which the revolutionary process is developing, is expressed in the mixed nature of the economy and, in the political realm, in the right of all the political organizations and trade unions to be constituted as such and to carry out their activities in accordance with the existing national laws.

6. We jointly affirm our people's inalienable right to self-determination, and the rejection of all forms of oppression, submission, political and economic dependence and plundering of our national wealth.

7. The system of a mixed economy, with private, mixed and state areas and other forms of property, duly defined and regulated, should be stimulated within the framework of suitable planning that incorporates all the economic sectors for the benefit of the Nicaraguan people.

8. It is the state's responsibility to offer the people instruments which are backed by just and practical laws that enable them to achieve and defend their conquests and demands as well as democracy, pluralism, freedom and respect for human, economic, social and political rights.

9. The social, economic and political aspirations of the Nicaraguan people are essential goals of the revolution.

10. Somozism is a stage that has been overcome and both delegations agree that there cannot and should not be any return to that stage or to any situation that denies the essence of the project of the revolution.

11. The inheritance of the past, aggravated by the Somozist dictatorship and the interference of U.S. imperialism, are basic causes of the country's economic problems and of the people's socioeconomic situation.

12. It is acknowledged that in the development of the revolutionary process there are deficiencies and errors, some of which are characteristic of the transition process.

13. We establish that whatever the internal situation we Nicaraguans are called on to settle, we emphatically reject any imperialist attack or intervention.

14. There is opposition to all forms of counterrevolutionary aggression, understanding as such any offensive action aimed at denying, altering or impairing the basic goals of the revolutionary process.

15. It is necessary to make joint efforts that will make it possible to improve the situation of the Nicaraguan revolutionary state. This necessitates the participation of all the political organizations and trade unions to help solve problems and thus guarantee the best development of the revolutionary process.

16. It is the inalienable right of the people through their organizations, such as unions, cooperatives, political parties, trade, communal and municipal associations, etc., to assume their responsibility in the social, economic and political activity of our fatherland.

17. The active participation of the workers, the state and the businessmen in increasing production is a basic element in the struggle for the country's and workers' economic emancipation and for laying the essential economic groundwork for solving the current social problems.

18. The various forms of capital depletion, duly confirmed in accordance with the corresponding law, should be severely punished wherever detected.

19. It is necessary to promote and to institutionalize agrarian reform in order to improve the situation of the peasants and of all the working people through the distribution of land among peasants who need it, and this should be done by affecting the large unproductive land holdings and the land in the hands of the state while respecting production units that are economically indivisible. the agrarian reform will promote various forms of association for production among peasants in general.

Both signatory delegations, according to these points of concurrence, promise to establish the necessary coordinations in order to extract from them the points of action which will permit their execution and implemention in a way considered in the regulation of this forum.

[Dated] Managua, 27 June 1981.

For the forces of the revolution: Commander Carlos Nunez Tellez, Gustavo Tablada Zelaya, Nathan Sevilla Gomez, Ulises Somarriba Jarquin, Edgar Macias Gomez, Alejandro Gutierrez Mayorga and Eli Altamirano Perez.

For the forces that support the revolution but dissent from its leadership: Donald Castillo Orozao, Alvaro Jerez Paquaga, Adan Fletes Valle, Jose Davilla Membreno, Roberto Urros Castillo, Ramiro Sacasa Guerrero and Rodrigo Solorzano Bolanos.

LIBYAN DELEGATION TO DISCUSS JOINT PROJECTS

PA270206 Panama City ACAN in Spanish 1436 GMT 25 Jun 81

[Text] Managua, 25 Jun (ACAN-EFE)--A delegation of 11 Libyan Arab Republic officials arrived at Managua to negotiate various cooperation agreements between this Arab nation and the Central American country.

The Libyan officials who arrived Wednesday will begin a series of meetings and talks today with Sandinist government officials in order to improve bilateral relations.

Joint projects between Nicaragua and the Libyan Arab Republic will be financed with the $100-million loan which Libya has granted Nicaragua.

Delegation Meets with Junta

PA270228 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 26 Jun 81

[Text] Fulfilling the mission of its visit in Nicaragua, the Libyan delegation that is visiting the country met with the members of the junta of the Government of National Reconstruction today.

Commander of the Revolution Daniel Ortega Saavedra, coordinator of the junta, welcomed the Libyan brothers who have come to bring closer the friendly ties which link us to that heroic country.

Mahmud Hamid (al-Jalasi), head of the delegation and secretary of the Banghazi General People's Congress, expressed appreciation to Commander Orgega Saavedra:

[Begin recording--in Arabic with simultaneous translation into Spanish] On behalf of my delegation I want to especially greet the heroic Nicaraguan revolution. We are carrying the greeting of the revolutionary people of Libya and of our Libyan brother Mu'ammar al-Qadhdhafi. We are wishing success to our fraternal revolutionary country and its revolution which you carried out by your revolutionary determination and vanguard to end a fascist and puppet dictatorship here in Nicaragua. [end recording]

Ortega on U.S. Aid Withdrawal

PA270219 Paris AFP in Spanish 0130 GMT 26 Jun 81

[Text] Managua, 25 Jun (AFP)--Commander Daniel Ortega, coordinator of the Nicaraguan Government junta, here today protested that "the U.S. Government had recently withdrawn $20 million in aid" destined for this country.

Ortega, who did not go into details on the matter, spoke before a group of visitors from the Libyan Arab Republic, a nation which a few days ago approved a $100-million loan for Nicaragua.

"Our country continues suffering economic aggression," Ortega emphasized to the Libyan delegation headed by Muhammad Hamid [as received].

Meanwhile the Libyan mission issued a special greeting for the Sandinist revolution and announced the possibility of closer bilateral relations.

U.S. AID POLICY TO BE OBSTACLE TO GOOD RELATIONS

PA280345 Managua International Service in Spanish 0030 GMT 27 Jun 81

[Text] Commander of the Revolution Daniel Ortega, coordinator of the junta of the Government of National Reconstruction, has expressed thanks, on behalf of the revolutionary government, for the solidarity shown by the members of the Socialist International who visited Nicaragua in the last few days.

Ortega said during a news conference following a meeting with the members of the Socialist International's committee for the Defense of the Sandinist People's Revolution that this solidarity strengthens this process.

The revolutionary leader noted that there has been talk of pluralism and sovereignty lately, while counterrevolutionary bands, operating on Honduran territory and supported abroad, have been committing murders. He said the camps are tolerated and loans to Nicaragua have been cut back and this is a serious obstacle to the country's interest in maintaining good relations with the United States.

PSD'S MONTALVAN CRITICIZED FOR STATEMENTS ABROAD

PA281444 Managua BARRICADA in Spanish 22 Jun 81 p 5

[Text] Wilfredo Montalvan, secretary general of the so-called Social Democratic Party [PSD], once more assailed the people's Sandinist revolution during his extensive tour of Latin America and Europe. Montalvan, who is accompanied on his trip by PSD political secretary Luis Rivas Leiva, once more directed his blasts at the solidarity given to the revolutionary process by Cuba and the USSR, whom he accused of "trying to subjugate Nicaragua."

The PSD leader left yesterday for the FRG after trying to obtain in Spain the support he has failed to receive from Nicaraguans. Montalvan and Rivas Leiva have already visited Costa Rica, Venezuela, Mexico and Portugal.

Montalvan's efforts to deceive the international social democratic movement with the name of his party are crashing against the support the Socialist International is giving to the Sandinist revolution and the recognition it has granted to the Sandinist National Liberation Front [FSLN] as vanguard of his process. While the PSD leaders are traveling through Europe seeking recognition, the Socialist International's International Committee for Defense of the Sandinist People's Revolution has scheduled a working session this week in Managua with the political commission of the [FSLN] national directorate.

SOCIALIST FRIENDS BOUGHT SURPLUS COFFEE STOCKS

PA281615 Managua EL NUEVO DIARIO in Spanish 22 Jun 81 p 11B

[By Luis Hernandez B.]

[Excerpts] Yesterday the international price of coffee suffered one of its most dramatic slumps in recent years when it was quoted at $93 a quintal, $12 less than Monday, when the price was $105. Coffee experts questioned by EL NUEVO DIARIO said that the slump--exceeding $30 per quintal in the last 3 weeks--has markedly damaged the international coffee trade.

Central American countries and Mexico have begun efforts with multilateral credit institutions like the IDB to obtain funds to finance the coffee stocks resulting from worldwide overproduction.

Since our country now maintains relations with all countries, it has sold to the socialist countries, at the current international price, the surplus coffee production it could not sell under the international quota. It is estimated that over 200,000 tons were negotiated with the USSR, the GDR, Czechoslovakia, Hungary and Bulgaria.

BULGARIAN YOUTH DELEGATION ATTENDS FESTIVAL

Montane Receives Leader

FL031634 Havana Domestic Service in Spanish 1600 GMT 23 Jun 81

[Text] Jesus Montane, alternate member of the Communist party of Cuba [PCC] Politburo and member of the Secretariat, has received at Central Committee headquarters Belcho Ivanov, secretary of Bulgaria's Dimitrov Komsomol Central Committee, as well as other leaders of the Bulgarian delegation visiting our country to attend the second Cuban-Bulgarian Youth Friendship Festival. They assessed the results of the recently concluded festival and its contribution to the strengthening of the already traditional Cuban-Bulgarian friendship as highly positive. The meeting took place in a fraternal atmosphere.

Luis Orlando Dominguez, member of the PCC Central Committee and first secretary of the Union of Young Communists [UJC]; Abelardo Alvarez, chief of the Central Committee's Organization Department; and other UJC officials attended the meeting. Iliya Dinkov, Bulgaria's charge d'affaires in Cuba, was also present.

Youths End Visit, Depart

FL240103 Havana Domestic Television Service in Spanish 0000 GMT 24 Jun 81

[Text] The delegation of Bulgaria's Dimitrov Komsomol, which participated in the second Cuban-Bulgarian Youth Friendship Festival recently held in Holguin, departed for Bulgaria today. At Jose Marti International Airport, the delegation of Georgi Dimitrov's people was bade farewell by Col Arnaldo Tamayo Mendez, first Cuban and Latin American cosmonaut and alternate member of the PCC Central Committee. Also present at the air terminal was Luis Antonio Castro Duenas of the National Bureau of the Union of Young Communists and other members of that youth organization's national committee. Heading the Bulgarian delegation were Belcho Ivanov, secretary of the Dimitrov Komsomol; and Col Georgi Ivanov, first Bulgarian cosmonaut.

GOVERNMENT TO HELP ANGOLA'S SUGAR INDUSTRY

FL261746 Havana Domestic Service in Spanish 1600 GMT 26 Jun 81

[Text] Luanda--A Cuban delegation headed by the Sugar Ministry delegate, Emilio Loo Hernandez, arrived today in Luanda, the Angolan capital, to discuss broader Cuba-Angolan cooperation in the area of sugar. The delegation, which also includes two agricultural and industrial experts, will spend a week meeting with Angolan leaders in this area. The talks will analyze a plan to modernize the Angolan sugar industry which comprises four sugar mills in the provinces of Luanda, Bengo and Benguela.

MINISTER FOR OVERSEAS CONSTRUCTIONS VISITING IRAQ

FL261340 Havana Domestic Service in Spanish 1100 GMT 26 Jun 81

[Text] Levi Farah, Cuban minister for overseas constructions, has visited several projects being built by the Union of Caribbean Construction Enterprises (UNECA) in Basrah Province in southern Iraq.

During his visit to the area he was received by (Ghazi al-Ubaydi), the governor of the province, and by other officials. During his inspection of the three housing projects currently under construction, the minister chatted with the internationalist Cuba workers, whom he congratulated for their unselfish work.

BARBADOS

GOVERNMENT TO INCREASE TECHNOLOGY TRADE WITH PRC

FL262317 Bridgetown CANA in English 2259 GMT 26 Jun 81

[Text] Bridgetown, Barbados, 26 Jun (CANA)--Barbados today said it was interested in buying more goods from China and in using Chinese technology to advance its manufacturing sector. Opening a Chinese trade exhibition here, Barbados Trade Minister Bernard St John conceded that trade between the two states was in the Chinese favour, with Barbados importing 2 million dollars (1 million dollars US) worth of goods last year.

"We are anxious, however, to increase our trading relations with China since it is to our advantage to encourage essential imports which are competitive in cost and quality with those from other sources," St John said. He added: Barbados now has a better knowledge of Chinese products and is anxious to utilize Chinese technology in manufacturing, and agriculture in the areas of irrigation, soil and water conservation, fish culture, fertilizers, ceramics, horticulture and clay as a building material." Barbados was interested in the importation of Chinese machinery to assist the development of more labor-intensive manufacturing activities, St John remarked.

The Chinese are exhibiting textile, handicraft and light industrial goods.

GRENADA

PRIME MINISTER BISHOP TELLS RALLY OF 'CIA PLOT'

F1271816 Bridgetown CANA in English 1751 GMT 27 Jun 81

[Text] St Georges, Grenada, 27 Jun (CANA)--Prime Minister Maurice Bishop has said here that the second stage of "the CIA plan to overthrow the People's Revolutionary Government [PRG]" has already been implemented. Bishop was addressing one of several public meetings called this week to talk about what the government-owned Radio Free Grenada called the "counterrevolutionary" newspaper, THE GRENADIAN VOICE, which was closed by the PRG a week ago.

The prime minister said the first stage of the alleged plot was the publication of the newspaper. According to him, several shareholders of the company publishing the newspaper "are now in different countries speaking out on the question of freedom of the press in fulfillment of the second stage of the plot by the CIA" (U.S. Central Intelligence Agency).

Bishop made specific reference to Lloyd Noel, one of the shareholders who has been in London since early this month arranging for a tour in Britain of a Roman Catholic Church-sponored cultural group. "Last week Wednesday and, again, last week Friday night in London," Bishop said, "Mr Lloyd go up there holding meeting, bawling and talking in advance about freedom of the press, trying to turn the Grenadian people living in England against the revolution, trying to make them feel that what is at stake, what is involved, is a newspaper, and not telling them, of course, the whole true story."

The prime minister said that, following Noel's "little piece of meeting" Minister of Labor Selwyn Strachan, who was in London, held a very large meeting last Sunday night and "thousands turned out to hear the line of the revolution."

Bishop said too that the "third stage of the plot" had also been launched by another shareholder in the newspaper company, Eric Pierre, secretary of the Grenada Seamen and Waterfront Workers Union. Pierre had been instructed, he said, that, as soon as the PRG closed THE GRENADIAN VOICE and as soon as "the noise in the region starts," he was to instigate a strike on the docks.

Bishop said Pierre spent all of Friday last week "walking around the docks talking to the dockworkers in fulfillment of this plan that the CIA gave him."

Pierre, who was arrested by security forces in the early hours of last week Friday when THE GRENADIAN VOICE was closed, said today that when he was released after a few hours, he returned to his home in St Georges and then went to his office where he found a group of stevedores awaiting him. "These men were working on the banana boat," "the news of my arrest had reached them and was causing some concern, and they told me that the men working on the dock had wanted to make some demonstration of protest to gain my release." Pierre said he went to the docks and had a meeting with the stevedores to assure them that he had been released and that no demonstration of protest was necessary. He denied emphatically that he is involved in any plan to overthrow the government or that he had tried to instigate a strike.

In his address, Bishop outlined what he said were further stages of the "CIA plot" and alleged that the shareholders in the banned newspaper company (the "Committee of 26" he called them) had been carefully chosen to participate in the "plot" at different stages.

LIBYAN TECHNICAL TEAM ENDS VISIT TO GRENADA

FL291405 Bridgetown CANA in English 1645 GMT 28 Jun 81

[Text] St Georges, Grenada, 28 Jun (CANA)--A five-man technical team from Libya ended a 5-day visit to Grenada yesterday after talks with government officials. The mission, headed by Mohammad Harman, director of the north and south section in the technical and cooperation department of Libya, discussed economic and technical matters.

The visit was a follow-up to a trip paid to Libya last year by Grenada's Prime Minister Maurice Bishop.

Libya is among countries helping Grenada with the construction of an international airport at Port Salines.

CARICOM FOREIGN MINISTERS MEETING TO BE HOSTED

FL092352 St Georges Domestic Service in English 2300 GMT 29 Jun 81

[Text] Prime Minister and Minister of External Affairs Brother Maurice Bishop is to deliver the keynote address at tomorrow's session [words indistinct] of the standing committee of CARICOM [Caribbean Community] ministers responsible for foreign affairs. The 2-day conference, to be held in the Dome, Grand Anse, has attracted participants from Jamaica, Guyana, Dominica, St Lucia, St Kitts-Nevis, St Vincent, Antigua, [name indistinct] and the host country, Grenada. Tomorrow's session, which begins at 0900 in the morning, is open to the public and all are invited to attend. This is the first time that the CARICOM foreign ministers meet [words indistinct] since the country's March '79 revolution.

HAITI

ANTIGOVERNMENT FORCES REPORTEDLY TRAINING IN CUBA

PA271542 Paris AFP in Spanish 1842 GMT 24 Jun 81

[Text] Port-au-Prince, 24 Jun (AFP)--Haitians who are opposed to the government are receiving military training in Cuba, the liberal independent newspaper, LE MATIN, charged here today.

According to LE MATIN, this situation has moved U.S. President Ronald Reagan to order that U.S. military aid for the Haitian Government be redoubled.

"The Reagan administration has shown great concern over the fact that Haitian citizens are receiving guerrilla warfare training in Cuba and has decided to reinforce the Haitian military structure, particularly the Leopard Regiment, which is specialized in anti-subversive and antiguerrilla warfare," the Port-au-Prince newspaper added.

JAMAICA

COMPANY ANNOUNCES ALUMINA PRODUCTION CUTBACK

JAMALCO Cuts Production

FL271557 Bridgetown CANA in English 1447 GMT 27 Jun 81

[Excerpts] Kingston, Jamaica, 27 Jun (CANA)--JAMALCO, the Jamaica subsidiary of the Aluminium Company of America (Alcoa) has announced that it would from next month cut its alumina production by about 20 percent or 300 tons a day, because of a decline in world demand. JAMALCO, in which the Jamaica Government has a 6 percent share, operates an alumina refinery with a capacity of 500,000 tons, and according to a recent issue of METAL BULLETIN MONTHLY the company last year produced just under 482,000 tons of alumina and was expecting to better the figure in 1981.

In announcing the cutback, Alcoa minerals managing director, Bud Roemhild said that the decision which comes into effect on 24 July was prompted by generally poor business conditions worldwide, leading to a decrease in the demand for metal. "This demand has been further affected by a sharp increase in the level of recycling of aluminium beverage cans," he added. Alcoa has been among the leaders in the drive to recycle aluminium containers as this process took 95 percent less energy than was needed for converting bauxite into finished product.

The company said that the production cut was one in a series that had been taking place in the whole Alcoa system since late last year, and had been held back because of consideration for the Jamaican economy.

Alcoa explained that the present cut in production, and the existing market conditions, in no way affected the attractiveness of the alumina expansion of the plant here. However, industry sources here believe that it holds implications for the government's short-term goals of bringing bauxite production up to existing capacity. On Wednesday Junior Mining Minister Basil Buck had said that there was a 20 percent under-utilized capacity in Jamaica, and urged the bauxite companies here to meet the challenges of expansion.

Alcan Will Not Cut Production

FL292030 Bridgetown CANA in English 2009 GMT 29 Jun 81

[Excerpts] Kingston, Jamaica, 29 Jun (CANA)--Alcan, one of the two alumina refiners here, will not be cutting production this year despite a glut on the world aluminium market, the company's executive vice president and general manager here, K. P. Wake, has said. Mr Wakes announcement during a safety awards ceremony for Alcan workers at the company's headquarters near the central town of Mandeville, takes on added significance with the weekend announcement by the other alumina producer Alcoa, that it would from next month cut production by 20 percent.

Alcan operates two alumina refineries here with a combined capacity of 1.1 million tons, though last year's production was actually above that figure. The fact that Alcan will be maintaining full production is important to the Edward Seaga government, which wants to see bauxite production return to its capacity of 15.1 million tons, reached in 1974.